



# County of Los Angeles CHIEF ADMINISTRATIVE OFFICE

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DAVID E. JANSSEN  
Chief Administrative Officer

July 7, 2004

To: Supervisor Don Knabe, Chairman  
Supervisor Gloria Molina  
Supervisor Yvonne B. Burke  
Supervisor Zev Yaroslavsky  
Supervisor Michael D. Antonovich

From: David E. Janssen  
Chief Administrative Officer

Board of Supervisors

GLORIA MOLINA  
First District

YVONNE B. BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

## STATUS AND SUMMARY OF HOMELAND SECURITY GRANTS

This memo provides a status on all the Homeland Security grants the Office of Emergency Management (OEM) manages on behalf of the County and the Operational Area (OA), along with a description of the process.

### Overview

In May 2001, the Federal government released the first of six Domestic Preparedness/Homeland Security grants. The purpose of these grants is to provide financial assistance to state and local governments to purchase goods and services that will enhance their capability to respond to terrorism, with an emphasis on the needs of first responders. As the OA Coordinator, your Board designated OEM as the managing agency for these grants. To date, the OA has been awarded approximately \$38,330,253. Another \$36,596,867 is pending formal approval by the Governor's Office of Emergency Services. Attachment 1 is a chart that provides a thumbnail sketch of each year's grant and its current status. Attachment 2 provides a picture of where funding has been directed. In order to have a more complete picture of the funding that has come into this region, Attachment 3 provides a picture of how the Urban Areas Security Initiative (UASI) grants have been distributed. The UASI grants are managed by the Cities of Los Angeles and Long Beach, as opposed to the Homeland Security grants which are managed by OEM for the OA.

## **Homeland Security Grant Management Process**

As each grant becomes available, OEM:

- Analyzes State grant guidance
- Forms a Planning Task Force to represent the stakeholders
- Develops grant funding priorities
- Conducts Applicant Briefings for eligible agencies
- Develops/enhances an online application process
- Reviews, along with the Task Force, the applications submitted to ensure the requests meet the grant priorities and fall within the grant allocation
- Submits the application to the State for approval

OEM also manages the grant once the application has been approved, including evaluating change requests, reimbursement requests, and submitting Quarterly Reports to the State.

## **Report from the Department of Homeland Security Task Force on State and Local Homeland Security Funding**

Approximately three months ago, Homeland Security Secretary Tom Ridge established the Task Force on State and Local Homeland Security Funding, consisting of several governors, mayors, county officials, tribal leaders and other elected or appointed officials from throughout the country. Their purpose was to examine why federal funds were not reaching local governments and first responders in a timely manner. On June 10, 2004, the Task Force released a report of key findings and recommendations. The report's executive summary is Attachment 4. A copy of the full report was sent electronically to each Board Emergency Preparedness Deputy on June 22, 2004. The report cites a number of reasons why grant reimbursements have been so slow. Our OA has experienced some of the same problems. This is due to a number of factors:

- Most of the grants are reimbursement grants. Therefore, jurisdictions have to provide verification of payment in order to request reimbursement. The State has since revised this policy and has stated that jurisdictions can request reimbursement, as long as they have an invoice. This has slightly increased the speed of reimbursements.
- The procurement process alone can take up to four to six months, depending on the availability of the equipment, the backlog status of the approved vendor, etc.
- Some jurisdictions have experienced difficulty with the bidding process. For example, one jurisdiction worked with a particular vendor for several months only to have the Department of Defense bar the vendor from selling the item (bio-agent kits) to non-military agencies. This jurisdiction is now starting the bidding process over.

- There is a tremendous backlog of certain types of equipment, such as personal protective equipment, radiological dosimeters, and atropine auto injectors. Vendors are having difficulty keeping items in stock due to the sheer volume.
- New chemical, biological, radiological, and nuclear (CBRN) standards are being developed for powered air purifying respirators (PAPRs). Jurisdictions are hesitant to purchase a respirator that may possibly become outdated and not recommended for use a year after purchasing them. Therefore, they are putting off purchasing PAPRs until the standards are released.

A significant number of grants have been released in a very short time combined with the fact that these grants and the opportunity to apply for them is a new concept for many jurisdictions, has contributed to the delays in seeking reimbursement. OEM works closely with, and provides continual assistance to, those jurisdictions awarded funding. Attachment 5 is a more detailed description of OEM's work on each year's grant, along with the grant's purpose, performance period, and stakeholders.

The Task Force on State and Local Homeland Security Funding report contains a number of recommendations that would be beneficial to our OA. Notable among them is exempting Federal Fiscal Year 05 Office of Domestic Preparedness homeland security grants from the Cash Management Act of 1990, which established grants as a reimbursement program. The report also recommend changes to federal regulations that would allow grantees more flexibility in expending administrative funds, and it recommends that Congress expand the use of these funds to allow state and local governments to use the money for operational costs, including overtime. Secretary Ridge has taken the Task Force report under advisement, so it is not clear how many, if any, of the recommendations will be approved.

In spite of many challenges, I believe the County and its jurisdictional partners are doing a commendable job of developing sound OA spending strategies, and OEM has done an exceptional job of coordinating and managing a myriad of grant applications.

We will continue to periodically update you on the status of Homeland Security grants under our purview.

DEJ:CP  
LM:jl

#### Attachments

c:     Executive Officer, Board of Supervisors  
        County Counsel  
        Emergency Management Council  
        Each Board Emergency Preparedness Deputy

ATTACHMENT 1

GRANT STATUS SUMMARY

GRANT	AWARD AMOUNT	EXPENDITURES TO DATE	PERFORMANCE PERIOD	STATUS
1999 Domestic Preparedness Grant	\$ 595,474	\$ 595,474	4/01/01 - 12/15/01	Completed
2000-01 Domestic Preparedness Grant	\$ 2,206,985	\$ 2,133,527	7/01/02 - 6/30/05	Active
2002 Citizen Corps/CERT Grant	\$ 261,588	\$ 246,577	12/05/02 - 3/04/04	Completed
2002 Emergency Operations Planning	\$ 1,457,515	\$ 973,000	4/23/03 - 2/28/04	Completed
2002 Domestic Preparedness Grant	\$ 3,705,921	\$ 1,020,653	8/01/02 - 7/31/04	Active
2003 State Homeland Security Grant I	\$ 9,492,276	\$ 1,204,042	4/01/03 - 3/31/05	Active
2003 State Homeland Security Grant II	\$ 22,421,072	\$ 1,662,847	6/20/03 - 4/30/05	Active
2003 CERT Grant	\$ 235,982	\$ -	12/05/03 - 12/04/04	Active
2004 Homeland Security Grant Program	Pending	\$ -	Pending	Pending

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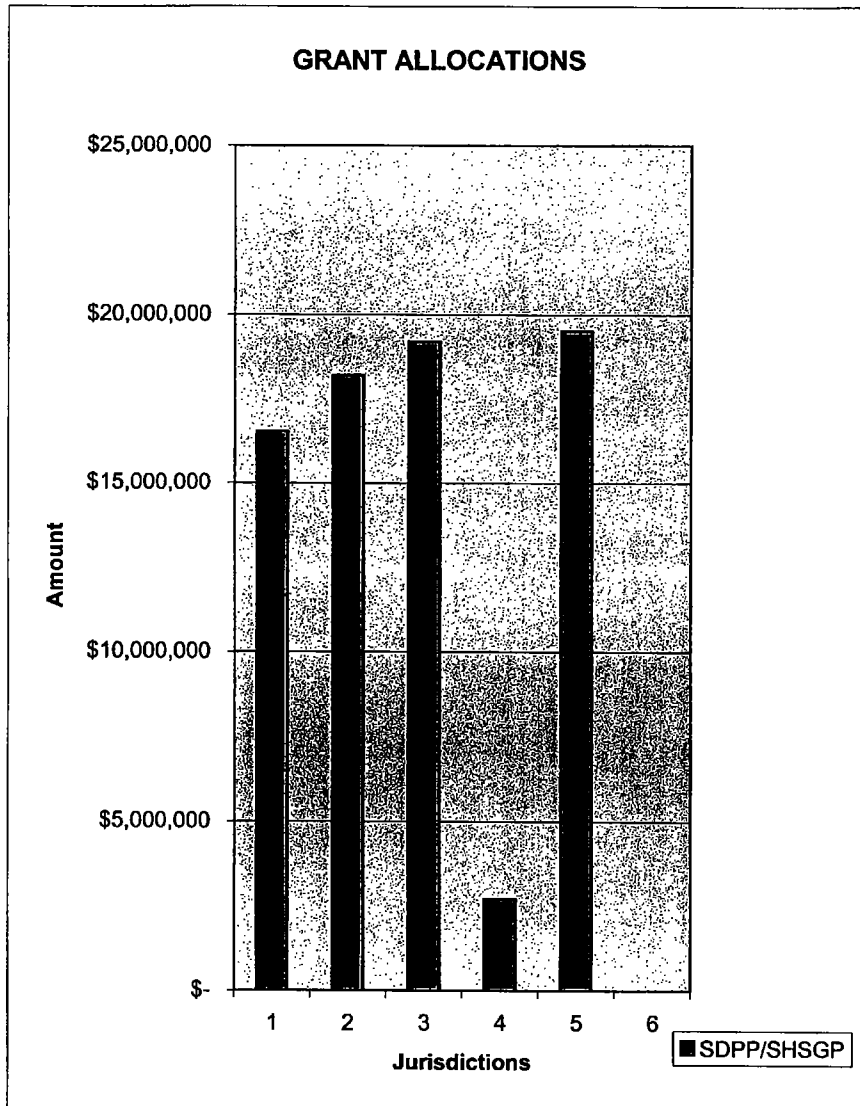
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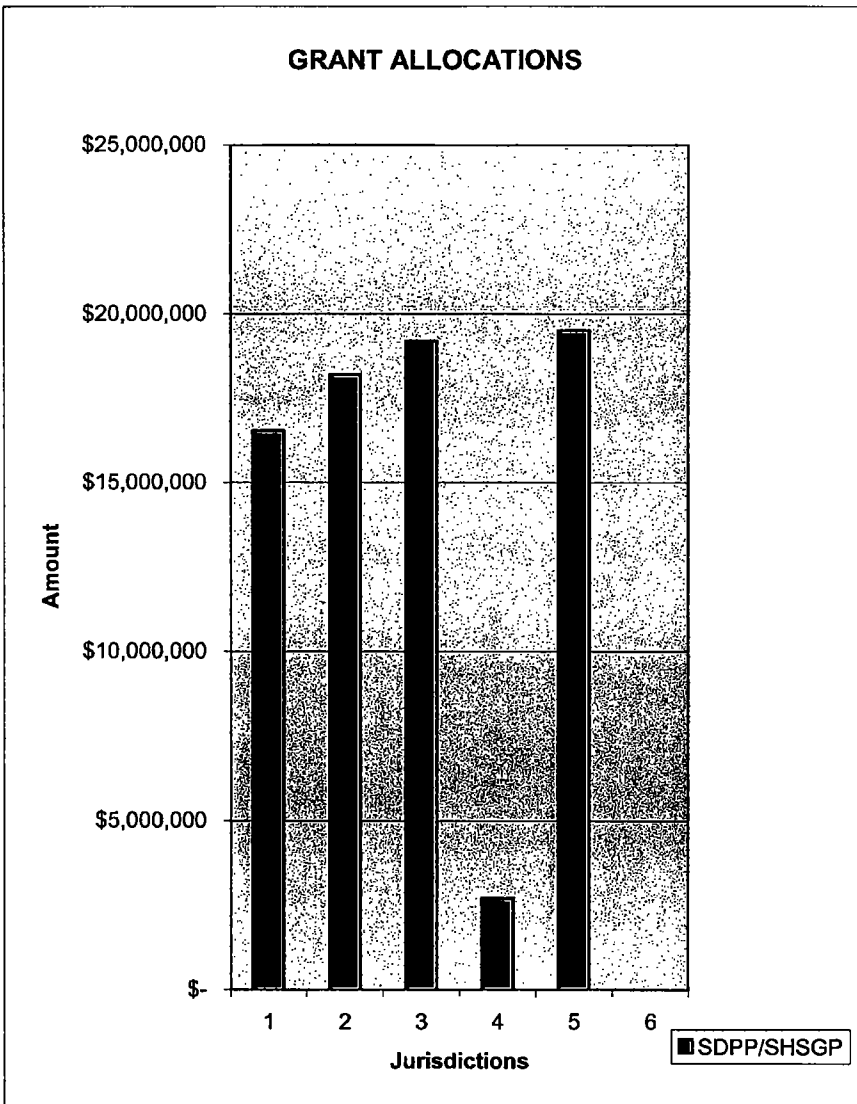
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- 1 - County (OA Support)
- 2 - County
- 3 - Los Angeles City
- 4 - Long Beach
- 5 - Independent Cities

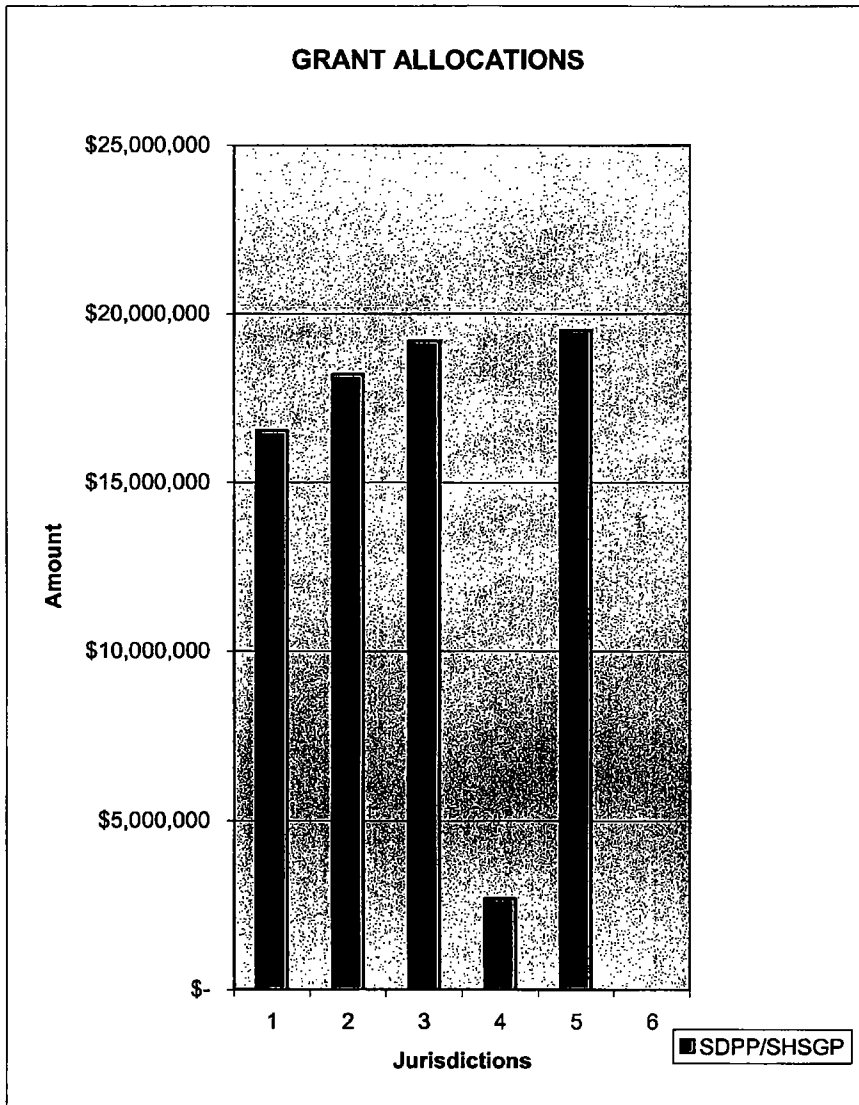


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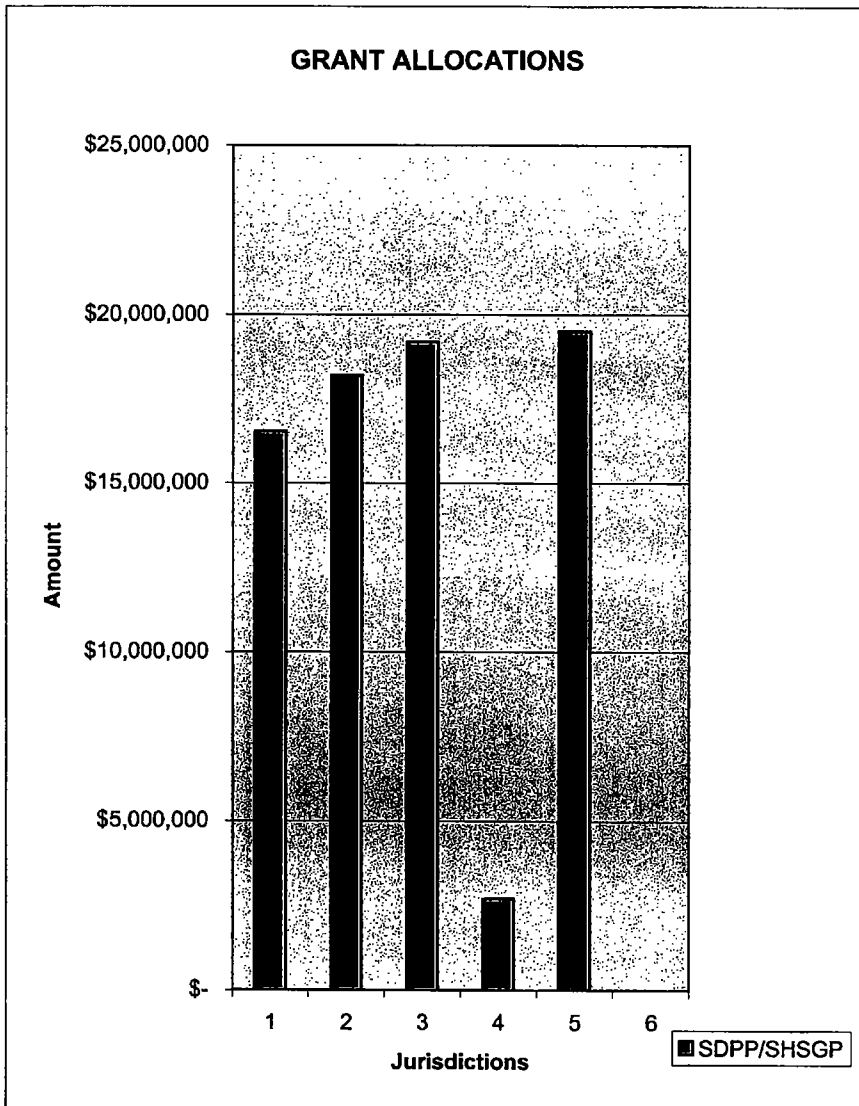
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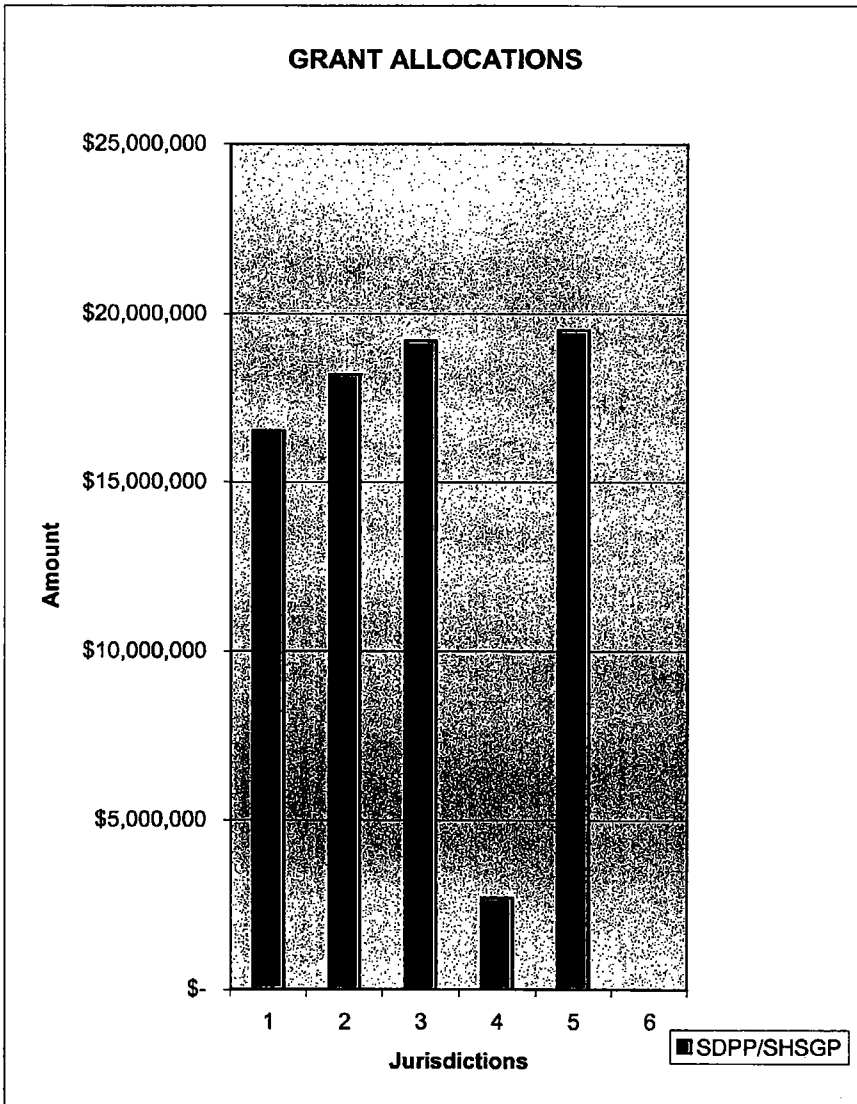
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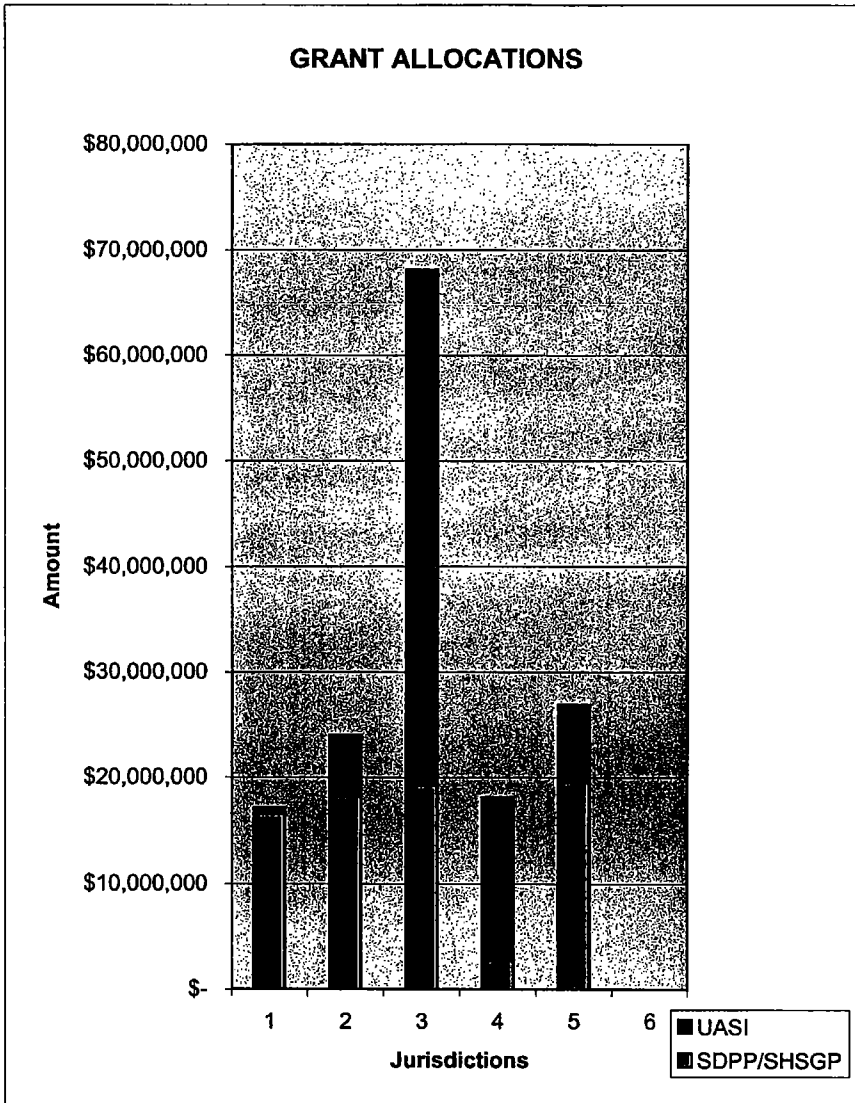
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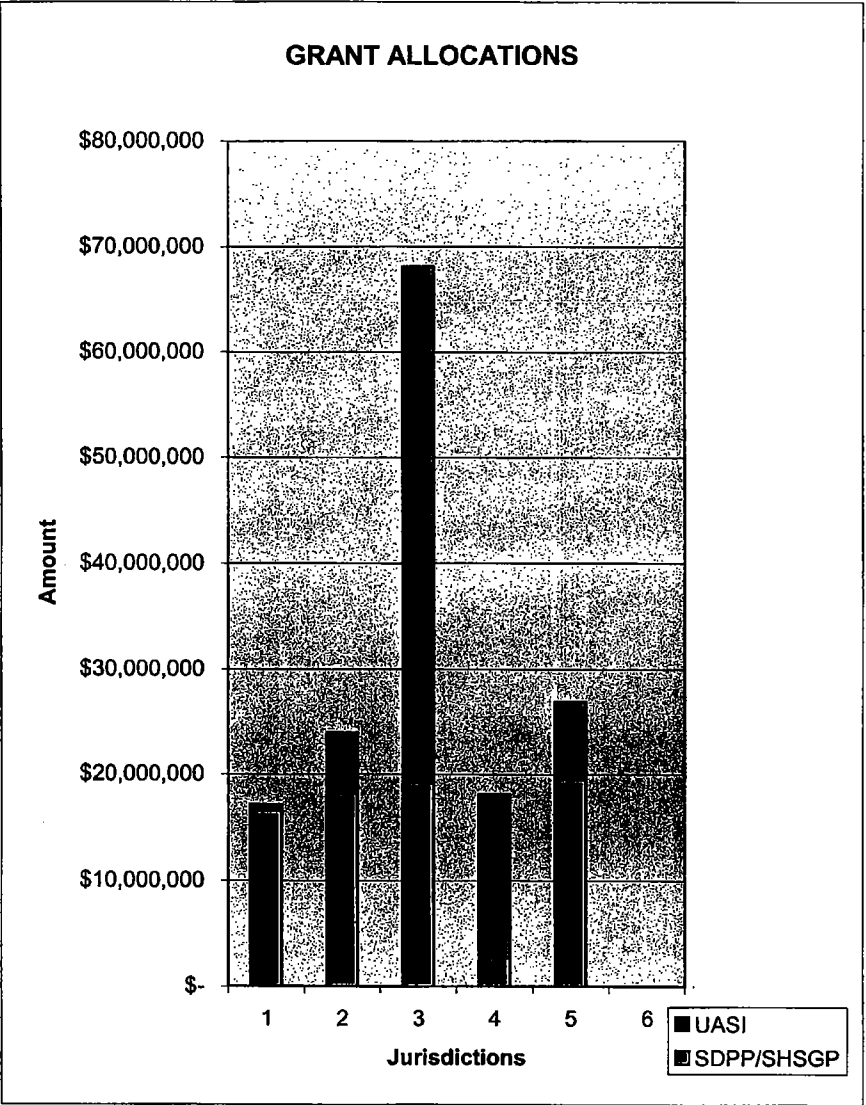


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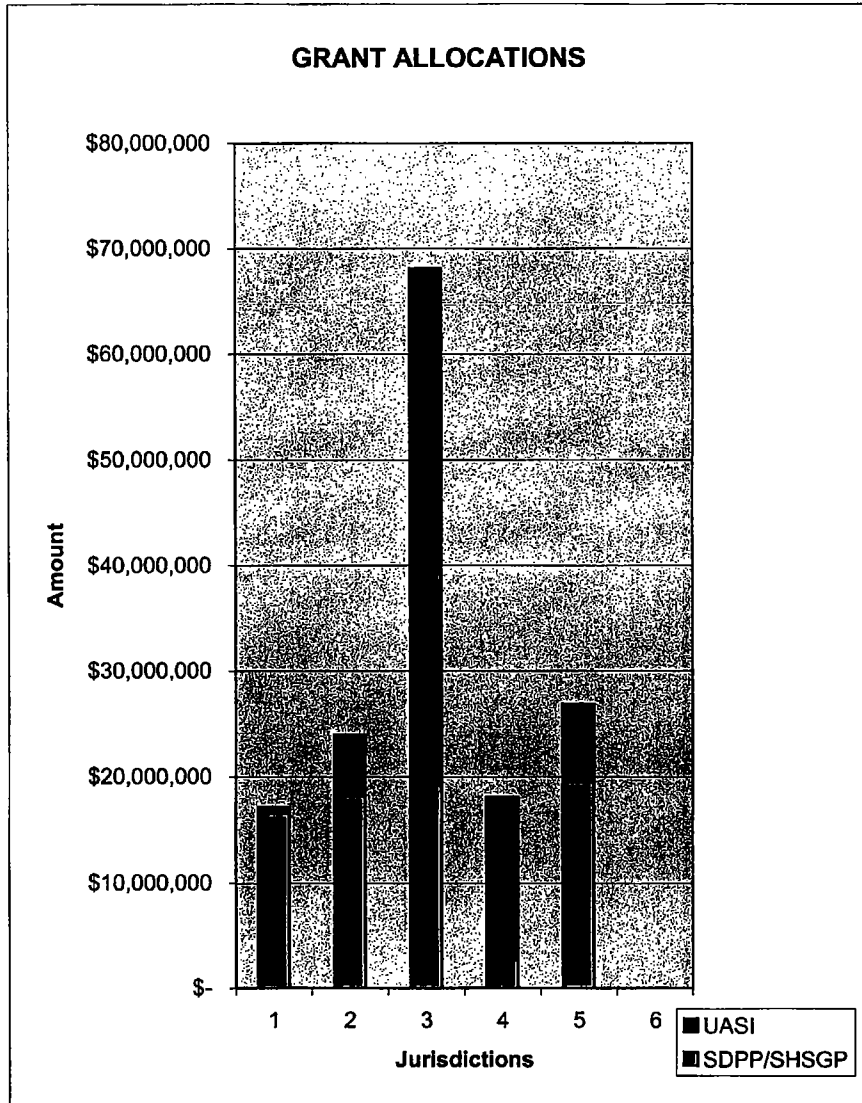


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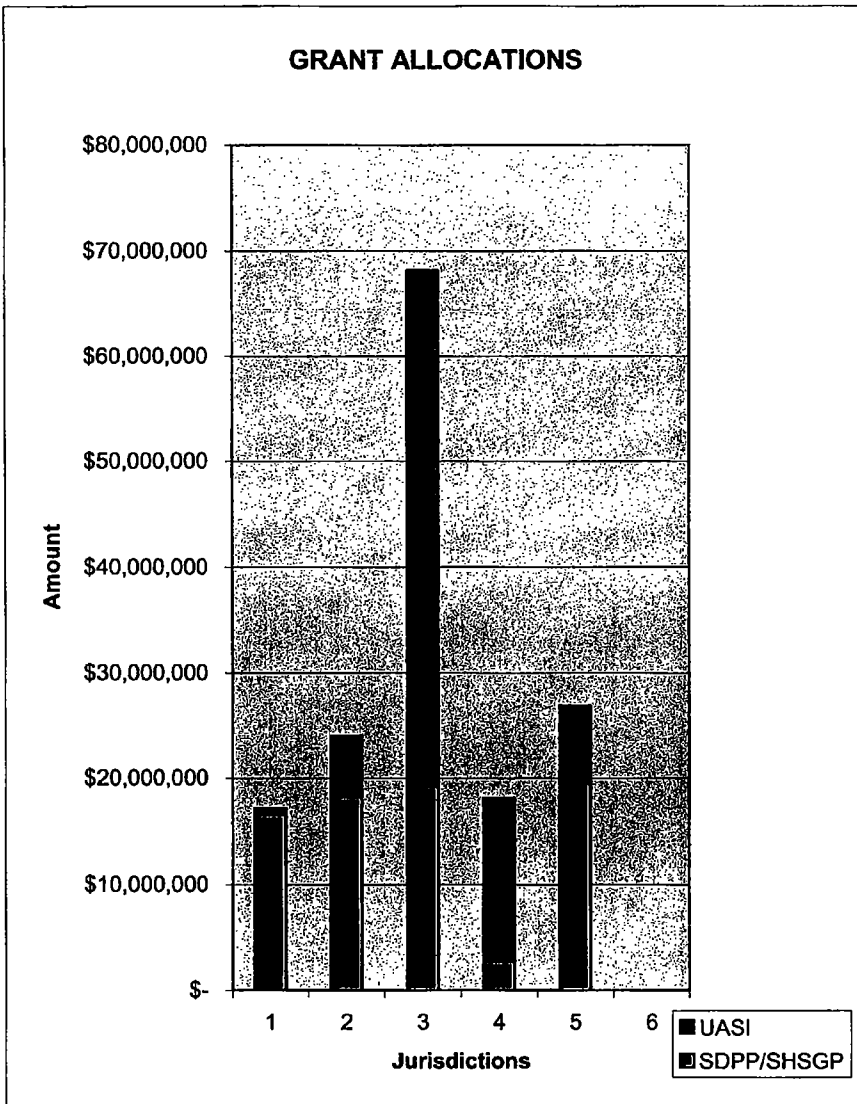


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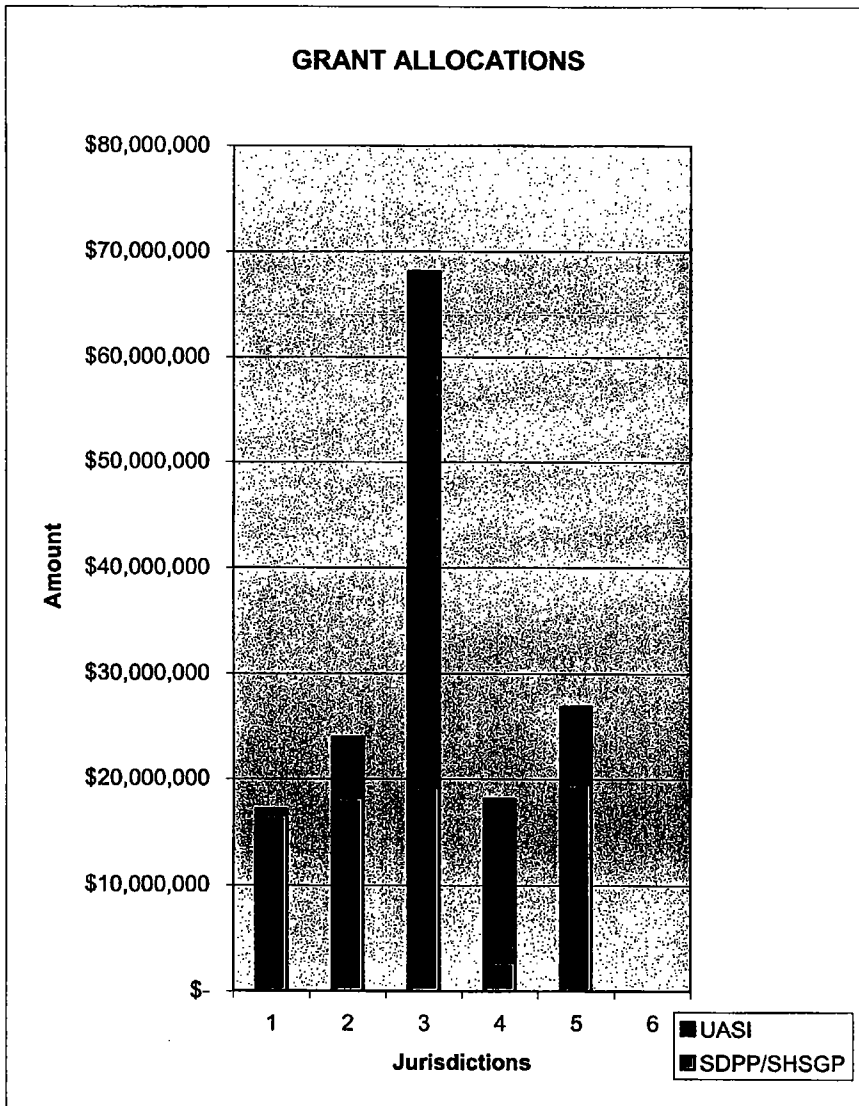


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## **HOMELAND SECURITY ADVISORY COUNCIL Task Force on State and Local Homeland Security Funding**

### **Executive Summary**

Due to the realities of the post-9/11 environment, the mission of providing the necessary resources to local<sup>1</sup>, state and tribal governments and first responders is an urgent one. Unfortunately, obstacles have developed in the current mechanisms and infrastructure used to do so. In response to this, Homeland Security Secretary Tom Ridge formed the Task Force on State and Local Homeland Security Funding to examine why federal funds were not reaching local governments and first responders in a timely fashion. The Task Force was established to develop consensus-based solutions, not to assign blame. To that end, on June 10, 2004 the Task Force unanimously adopted this report.

This Task Force consists of several governors, mayors, county officials, tribal leaders and other elected or appointed officials from throughout the country. The Task Force was brought together on a bipartisan basis to examine the funding process and to provide specific recommendations to expedite the flow of homeland security dollars to those responsible for preventing and responding to acts of terrorism.

By working closely with the Department of Homeland Security (DHS) and stakeholders at every level of government, the Task Force was able to solicit input from many sources and thoroughly examine the issues. Common themes began to surface and recommendations were developed as a result of several key findings that include:

- The reimbursement requirement is problematic for many, particularly for cash-strapped municipalities.
- Ordinary procurement and cash management processes cannot be relied upon in extraordinary times – At times, the need to rapidly procure and deploy homeland security-related equipment conflicts with state and local buying regulations and procurement procedures.
- Many state and local governments lack the purchasing power to obtain the goods and services in a timely fashion.
- The lack of national standards guiding the distribution, tracking, and oversight of homeland security-related grant funds contributes to delays in disbursement.
- While development of program guidelines and long-term operational plans is important, there are urgent security needs that must be addressed now, such as overtime reimbursement and risk-based funding.
- State and local governments are often overwhelmed and understaffed to deal with the complex grant system and have not put the necessary infrastructure in place to deal with the increased workload.
- Communication gaps have existed between all levels of government.

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<sup>1</sup> For the purposes of this report the term "local" refers to towns, municipalities, villages and counties.

- The management of expectations is a major issue; local jurisdictions have expectations that may be unrealistic given the limited amount of funding available.
- Unavoidable equipment backlogs and vendor delays have slowed the process.

We underscore in this report that there is no single issue or level of government that has been responsible for the delays. Rather, it appears that there are several interdependent issues that have compounded one another to slow the funding stream. The purpose of this report is not to assign blame but to identify opportunities to strengthen and expedite the funding process. Having to protect against and prepare for terrorist attacks is a relatively new mission and responsibility for many of the grant recipients. The end result is a grant process that has evolved under a microscope without the benefit of the normal program development or evolution afforded similar programs over the years -- and we may not have time for that. Therefore, the Task Force has issued recommendations that include:

- For Federal Fiscal Year (FFY) 05, exempt ODP homeland security grants from the Cash Management Act of 1990. This provision governs the reimbursement requirement for federal grants and needs to be changed, because many cash-strapped municipalities and counties have difficulty participating in the reimbursement process.
- Where applicable, encourage state and local governments to alter legislative and procurement procedures to accept and expend homeland security funds on a more expedited basis.
- Establish multi-state cooperative purchasing consortia and expand the use of state and federal contracts.
- Establish national standards for grant management including standardized terminology and real-time tracking capabilities.
- Compile and disseminate best practices. For example, many states have shown innovation by assembling working groups, or by using secure web technology to interface between the state and the local governments regarding grant information. Every locality should be encouraged to develop similar programs.
- Amend the federal grant regulations to allow grantees more flexibility in expending administrative funds.
- Expand and enhance the level of training and technical assistance to state and local officials involved in the management and administration of homeland security related grants.
- Strongly encourage regionalization and cooperation among stakeholders similar to the Urban Areas Security Initiative (UASI) Grant Program.
- Establish an Office of the Comptroller within DHS to assume complete financial responsibility over the grant programs.
- Congress should expand the use of State Homeland Security Grant Funds to allow state, county, local and tribal governments to use such funds for operational costs including overtime.

- Establish a comprehensive risk assessment methodology to support the identification of high-risk, high consequence critical infrastructure and major events - and - allow grant funds, distributed through states, to be used to directly offset the costs incurred by state, county, municipal, and tribal entities for securing those critical infrastructure and major events identified as high-risk by DHS including incremental personnel costs such as over-time payments for safety forces.

The Task Force recognizes the continuous improvements that have been made at the federal level. DHS has worked to streamline the grant process, increase partnerships among stakeholders and improve outreach efforts through projects such as this Task Force. Guidance and support from the federal level is essential, but state and local governments have to be engaged in this process and make their own changes as well. Now that problems with the system have been identified, all levels of government will have to work together to resolve them. We have indeed come a long way since 9/11, but the job of protecting our homeland will never end. Our mission continues.

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The Task Force recognizes the continuous improvements that have been made at the federal level. DHS has worked to streamline the grant process, increase partnerships among stakeholders and improve outreach efforts through projects such as this Task Force. Guidance and support from the federal level is essential, but state and local governments have to be engaged in this process and make their own changes as well. Now that problems with the system have been identified, all levels of government will have to work together to resolve them. We have indeed come a long way since 9/11, but the job of protecting our homeland will never end. Our mission continues.

**HOMELAND SECURITY ADVISORY COUNCIL**  
**Task Force on State and Local Homeland Security Funding**

**Executive Summary**

Due to the realities of the post-9/11 environment, the mission of providing the necessary resources to local<sup>1</sup>, state and tribal governments and first responders is an urgent one. Unfortunately, obstacles have developed in the current mechanisms and infrastructure used to do so. In response to this, Homeland Security Secretary Tom Ridge formed the Task Force on State and Local Homeland Security Funding to examine why federal funds were not reaching local governments and first responders in a timely fashion. The Task Force was established to develop consensus-based solutions, not to assign blame. To that end, on June 10, 2004 the Task Force unanimously adopted this report.

This Task Force consists of several governors, mayors, county officials, tribal leaders and other elected or appointed officials from throughout the country. The Task Force was brought together on a bipartisan basis to examine the funding process and to provide specific recommendations to expedite the flow of homeland security dollars to those responsible for preventing and responding to acts of terrorism.

By working closely with the Department of Homeland Security (DHS) and stakeholders at every level of government, the Task Force was able to solicit input from many sources and thoroughly examine the issues. Common themes began to surface and recommendations were developed as a result of several key findings that include:

- The reimbursement requirement is problematic for many, particularly for cash-strapped municipalities.
- Ordinary procurement and cash management processes cannot be relied upon in extraordinary times – At times, the need to rapidly procure and deploy homeland security-related equipment conflicts with state and local buying regulations and procurement procedures.
- Many state and local governments lack the purchasing power to obtain the goods and services in a timely fashion.
- The lack of national standards guiding the distribution, tracking, and oversight of homeland security-related grant funds contributes to delays in disbursement.
- While development of program guidelines and long-term operational plans is important, there are urgent security needs that must be addressed now, such as overtime reimbursement and risk-based funding.
- State and local governments are often overwhelmed and understaffed to deal with the complex grant system and have not put the necessary infrastructure in place to deal with the increased workload.
- Communication gaps have existed between all levels of government.

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<sup>1</sup> For the purposes of this report the term "local" refers to towns, municipalities, villages and counties.

- The management of expectations is a major issue; local jurisdictions have expectations that may be unrealistic given the limited amount of funding available.
- Unavoidable equipment backlogs and vendor delays have slowed the process.

We underscore in this report that there is no single issue or level of government that has been responsible for the delays. Rather, it appears that there are several interdependent issues that have compounded one another to slow the funding stream. The purpose of this report is not to assign blame but to identify opportunities to strengthen and expedite the funding process. Having to protect against and prepare for terrorist attacks is a relatively new mission and responsibility for many of the grant recipients. The end result is a grant process that has evolved under a microscope without the benefit of the normal program development or evolution afforded similar programs over the years -- and we may not have time for that. Therefore, the Task Force has issued recommendations that include:

- For Federal Fiscal Year (FFY) 05, exempt ODP homeland security grants from the Cash Management Act of 1990. This provision governs the reimbursement requirement for federal grants and needs to be changed, because many cash-strapped municipalities and counties have difficulty participating in the reimbursement process.
- Where applicable, encourage state and local governments to alter legislative and procurement procedures to accept and expend homeland security funds on a more expedited basis.
- Establish multi-state cooperative purchasing consortia and expand the use of state and federal contracts.
- Establish national standards for grant management including standardized terminology and real-time tracking capabilities.
- Compile and disseminate best practices. For example, many states have shown innovation by assembling working groups, or by using secure web technology to interface between the state and the local governments regarding grant information. Every locality should be encouraged to develop similar programs.
- Amend the federal grant regulations to allow grantees more flexibility in expending administrative funds.
- Expand and enhance the level of training and technical assistance to state and local officials involved in the management and administration of homeland security related grants.
- Strongly encourage regionalization and cooperation among stakeholders similar to the Urban Areas Security Initiative (UASI) Grant Program.
- Establish an Office of the Comptroller within DHS to assume complete financial responsibility over the grant programs.
- Congress should expand the use of State Homeland Security Grant Funds to allow state, county, local and tribal governments to use such funds for operational costs including overtime.

- Establish a comprehensive risk assessment methodology to support the identification of high-risk, high consequence critical infrastructure and major events - and - allow grant funds, distributed through states, to be used to directly offset the costs incurred by state, county, municipal, and tribal entities for securing those critical infrastructure and major events identified as high-risk by DHS including incremental personnel costs such as over-time payments for safety forces.

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